

Remarks

This Application has been carefully reviewed in light of the Office Action dated November 7, 2003. Claims 1-42 are pending and stand rejected. Applicants make no amendments and respectfully requests reconsideration and allowance of all pending claims.

Applicants' Claims are Allowable Over the Section 102 Rejections

The Examiner rejects Claims 1-3, 9-13, 15-24, 26-32, and 34-42 under 35 U.S.C. § 102(e) as anticipated by U.S. Patent No. 5,973,731 to Schwab ("*Schwab*"). To support a rejection based on Section 102, a single prior art reference must describe each and every element as set forth in the claim, either expressly or inherently. See M.P.E.P. § 2131. Applicants respectfully submit that *Schwab* fails to teach each and every element of any of Applicants' claims. Consider Applicants' Claim 1, which recites:

1. A video surveillance system, comprising:
a client operable to perform a financial transaction, the client further operable to generate data from the financial transaction, the client having a camera operable to generate video of the financial transaction, the client operable to transmit the data and video using a communications network; and
a server coupled to the client using the communications network, the server operable to receive the data and video from the client and to display the video and data in real-time.

Applicants respectfully submit that *Schwab* fails to teach, either expressly or inherently, each and every element of this claim, and that the rejection under Section 102 is therefore inappropriate. In general, *Schwab* discloses a system for secure identification of items or individuals taking part in transactions. See *Schwab*, at column 1, lines 9-14. To provide secure identification, *Schwab* proposes a central database of pictures that can be used for later identification of individuals or items. *Id.*, at column 1, lines 45. At the time of a transaction, a picture can be downloaded from the central server and then compared with the actual person or item. *Id.* "Broadly, the system may be used in conjunction with individuals or products which may be identified by comparison of the subject item with a pre-existing image previously entered into the central database." *Id.*, at column 4, lines 8-13. Thus, for example, a person attempting to make a purchase with a credit card can be compared to a pre-existing picture of the person associated with the credit card.

Schwab fails to teach any of the elements of Claim 1. For example, consider the following language from Claim 1:

a client operable to perform a financial transaction, the client further operable to generate data from the financial transaction, the client having a camera operable to generate video of the financial transaction, the client operable to transmit the data and video using a communications network;

As teaching for the client “operable to generate data from the financial transaction,” the Examiner cites to column 7, lines 22-25 of *Schwab. Office Action*, at page 2. This portion of *Schwab* discloses “a transaction file server 130, which maintains a transaction database 138 containing information used to identify any verification passwords and the storage locations of the associated image files.” *Id.*, at column 7, lines 22-25. However, Applicants respectfully submit that passwords and image locations in a central server fail to show “a client operable to perform a financial transaction, the client further operable to generate data from the financial transaction.”

Also, as teaching for “the client having a camera operable to generate video of the financial transaction, the client operable to transmit the data and video using a communications network,” the Examiner cites to column 4, lines 23-28 of *Schwab. Office Action*, at page 2. The referenced portion of *Schwab* details a process for building up a database of images associated with items, products, or people using a client PC. However, Applicants respectfully submit that this fails to show “the client having a camera operable to generate video of the financial transaction, the client operable to transmit the data and video using a communications network.”

As another example, consider the following language from Claim 1:

a server coupled to the client using the communications network, the server operable to receive the data and video from the client and to display the video and data in real-time;

As teaching for these aspects, the Examiner cites to column 6, line 44 - column 7, line 19. *Office Action*, at pages 2. The referenced portion of *Schwab* details the first steps of “an identification event or transaction.” In this portion of *Schwab*, a client PC reads an I.D. card and then communicates the identification to the central image file server. However, Applicants respectfully submit that transmitting an identification retrieved from an I.D. card fails to teach “a server coupled to the client using the communications network, the server

operable to receive the data and video from the client and to display the video and data in real-time.”

Also, Applicants respectfully note that the Examiner addresses limitations not within Claim 1, and also fails to address different and distinct limitations contained in other ones of the independent claims. For example, consider Applicants’ Claim 22, which recites:

22. A video surveillance system, comprising:
a client operable to perform a financial transaction, the client operable to generate data from the financial transaction, the client having a camera operable to generate video of the financial transaction, the client operable to accumulate and store the data and video as a digital file, the client operable to transmit the digital file across a communications network; and
a server coupled to the client using the communications network, the server operable to receive the digital file upon connection with the client, and to display the video and data.

While Claim 22 includes a number of limitations distinct from those in Claim 1, the Examiner summarily rejects both claims based on analysis applied only to Claim 1. Applicants respectfully request that the Examiner consider the particular claimed aspects of each independent and dependent claim in the application.

Applicants respectfully submit that neither the cited portions of *Schwab* nor any other portions of *Schwab* teach, either expressly or inherently, all elements of any of the independent claims. In addition, Applicants’ dependent claims include further limitations even farther from the scope of *Schwab*. Thus for at least these reasons, Applicants respectfully request the Examiner to reconsider and withdraw the rejection under Section 102 to Claims 1, 11, 22, and 33 and their respective dependent claims.

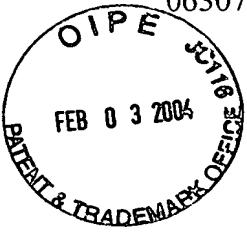
Applicants’ Claims are Allowable Over the Section 103 Rejections

The Examiner rejects Claims 4, 14, 25 and 36 under 35 U.S.C. § 103(a) as being unpatentable over *Schwab* in view of U.S. Patent No. 5,585,839 issued to Ishida, et al. (“*Ishida*”). Applicants respectfully submit that the combination of *Ishida* with *Schwab* is improper based on the teachings of the references. As discussed above, *Schwab* teaches an image based secure identification system that includes a central image server. *Schwab* fails

to teach audio functions such as that recited in Claims 4, 14, 25 and 36, which the Examiner admits on page 6 of the Office Action.

To provide these functions, the Examiner introduces *Ishida* and states that “it would have obvious [sic] for one of ordinary skill in the art to incorporate *Ishida*’s generating of audio files along with the associated video files in order to allow for the terminal user of a remote client in *Schwab* to communicate verbally with the server while conducting a financial transaction.” *Office Action*, at page 6. This statement, however, simply asserts that the benefit obtained from a combination makes the combination obvious, which is the hallmark of impermissible hindsight reconstruction.

Even setting aside the concerns regarding hindsight reconstruction, it is apparent that the two references teach away from a combination. For example, *Schwab* fails to show any person associated with the central image file server. Thus Applicants respectfully submit that the proposed combination does not make any sense technically. Thus for at least these reasons, Applicants respectfully submit that the proposed *Schwab-Ishida* combination is improper. Moreover, Applicants submit that even if proper, the combination fails to teach or suggest all elements of Applicants’ claims, since *Ishida* fails to introduce the elements of the independent claims that are not shown by *Schwab*, nor does *Ishida* introduce the elements of the dependent claims. Therefore, Applicants respectfully request the Examiner to reconsider and withdraw the rejection under Section 103 based on the *Schwab-Ishida* combination.



CONCLUSION

Applicants have made an earnest attempt to place this case in condition for allowance. For the foregoing reasons, and for other reasons clearly apparent, Applicants respectfully request full allowance of all pending claims. If the Examiner feels that a telephone conference or an interview would advance prosecution of this Application in any manner, the undersigned attorney for Applicants stands ready to conduct such a conference at the convenience of the Examiner.

Although no fees are believed to be currently due, the Commissioner is hereby authorized to charge any fees or credit any overpayments to Deposit Account No. 02-0384 of BAKER BOTTS L.L.P.

Respectfully submitted,
BAKER BOTTS L.L.P.
Attorneys for Applicants

A handwritten signature in black ink, appearing to read "Kurt M. Pankratz".

Kurt M. Pankratz
Reg. No. 46,977

Address correspondence to:
2001 Ross Avenue
Dallas, Texas 75201-2980
Tel. 214.953.6584; Fax. 214.661.4584

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